

(b) (2)

Office Memorandum • UNITED STATES GOVERNMENT

TO : AD/RR

DATE: 6 December 1954

FROM : Ch/C/RR

SUBJECT: Soviet Production of Guided Missiles

1. I believe that arrangements should be set up at this time to follow indications of Soviet production of guided missiles.

a. The report of the recent IAC Working Group on Guided Missiles (and discussion thereof in the EIC Electronics Subcommittee) made it quite clear that although there is as yet no specific evidence of actual Soviet production of guided missiles - other than experimental - the general state of Soviet technical and economic development indicates that regular production of certain types of guided missiles (e.g., intercontinental, ground-to-air, air-to-air, etc.) could begin at any time and may already have begun.

b. The best indications of the extent of any Soviet production of guided missiles seem likely to emerge from economic analysis, [redacted] Such analysis will require the evaluation and collation of all intelligence relating to particular plants and special materials and equipment essential for guided missile production, [redacted]

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[redacted] The development of expertise essential in this analysis through: background reading; visits to U.S. producing plants; review of pertinent available intelligence materials; development of analytical techniques; preparation of collection guides and the like will require considerable lead time prior to receipt of positive evidence of production requiring meaningful evaluation. Moreover, it will take months to establish effective channels for the gathering, collating, and analysis of such "bits-and pieces" of information as might cast light on the extent of Soviet guided missile production.

c. It is reported that [redacted] has already established a special working group to follow evidence of Soviet guided missiles production.

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2. Nevertheless, at the EIC meeting on 2 December, only CIA supported establishment of an EIC Working Group on Guided Missiles; and the proposal had to be indefinitely deferred. The opposition or indifference of the other agencies was apparently based on the following considerations:

a. They are unconvinced that there are at present any specific production indications to analyze. They felt that each of the agencies is already watching for indications of guided missile production - so that these would be picked up as soon as they appeared.

b. It was felt that the present AFOIN working group (which already includes two OSI representatives) could and should be expanded to include ORR representatives - and that this arrangement would be a satisfactory "stop-gap" to insure that economic aspects of Soviet guided missile developments are not slighted.

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c. There is general opposition to further expanding present EIC activities except in response to very clear immediate needs - and opposition particularly to increasing the number of subcommittees or working groups which would regularly require the time of key personnel.

3. Alternative Actions

There are several alternatives by which ORR might assure that production aspects of guided missiles are adequately covered.

a. The proposal that ORR participate in the AFOIN working group (see paragraph 2, b above) should be considered. This would not, however, provide for any EIC arrangements, as such; and the AFOIN group is likely to be preoccupied with scientific and technical developments, so that it may pay little attention to looking for production indications.

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b. In the absence of EIC interest, ORR should probably try to make arrangements within CIA to collect, collate, and analyze indications of Soviet guided missile production - specifically drawing together ORR and OSI information. A report on such arrangements and periodic progress reports might be made both to the EIC (perhaps through the Armaments Subcommittee) and to the SEC. Consideration might be given to a

proposal that SEC establish a Guided Missiles Working Group which would cover both technical and economic aspects, with some special arrangement for ORR (if not EIC) participation - but SEC has not in the past felt it appropriate to establish any continuing working groups; moreover these would undoubtedly be a tendency for the economic aspects of the problem to be minimized or dominated by the scientific intelligence representatives.

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c. There have been some suggestions for the establishment of a permanent IAC Subcommittee on Guided Missiles, somewhat analogous to the Joint Atomic Energy Intelligence Committee. There are two possible difficulties with this proposal. First, such a group might easily (as in the case of the JAEIC) become a wholly separate community in which ORR - and, indeed, economic intelligence in general - would not be included or would be given a very minor role. Second, even if it were included there is the danger that production of guided missiles might be considered in abstracto, i.e. out of the context of our overall analysis of Soviet economic capabilities, thereby neglecting such subjects as competing uses for critical inputs, etc.

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4. Recommendations

a. That ORR explore the desirability of participating in the AFOIN Working Group, but regardless of whether we join this group, ORR should push for the adoption of 3 b or c. Of these, 3 c seems to me to be the more desirable since it would be a high level arrangement insuring complete coordination. The priority importance of the subject warrants this sort of approach. Care should be taken, however, to offset the two possible limitations noted in 3 c.

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b. If the approach in 4 a is not possible, then the first suggestion in 3 b should be adopted in order to insure adequate coverage of the subject in CIA at least.

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